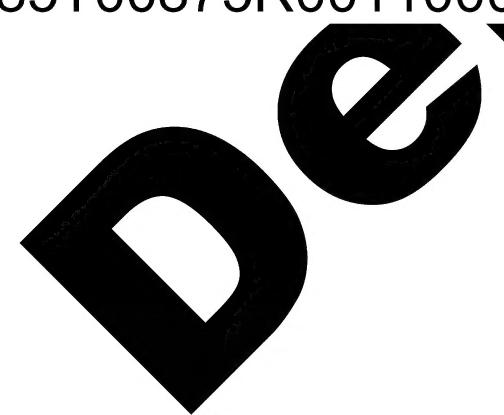
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CAMBODIA	
The ruling High Political Council continues to make little headway in the selection of a new cabinet. Despite frequent meetings with representatives of two of the country's three political parties, no agreement has been reached on a new prime minister. The appointment of a prime minister, an important step in restoring political vigor, has been snarled by the Republican Party's unexpected advocacy of a political nonentity for that post.	
The council and party representatives have made more progress in getting together on important policy issues. They have agreed on the need for new elections but, rather than risk further dispute on this delicate subject, have deferred decision on the type and timing. On the military side, they have agreed to place the armed forces under civilian control. The mechanics of this arrangement are not yet entirely clear, however, and Lon Nol may try to resist any move that would significantly reduce his authority over military matters. The Khmer Communists and Sihanouk	25X1
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Sihanouk, meanwhile, is still basking in the international Communist propaganda that has flowed from his "long march" to Cambodia. Sometime this week, he is due to take to the road again. Accompanied by his wife and by Ieng Sary--the ranking Khmer Communist in Peking--Sihanouk will visit a number of African and East European countries, most of which he toured last year. His itinerary includes visits to Senegal, Guinea, Mali, the Congo, Albania, Mauritania, Algeria, Yugoslavia, and Romania. The trip apparently will extend into June. Sihanouk's various hosts undoubtedly will be subjected to lengthy and glowing accounts of his junket to the "liberated zone."

Although preparations for his impending travels appear to have taken up most of Sihanouk's time in the past few weeks, he has not ignored the press corps in Peking. In late April he told foreign journalists he had no plans to approach the US Liaison Office and the decision to hold even preliminary contacts with US representatives on the subject of possible negotiations concerning Cambodia rested with the Khmer Communist "interior resistance"-- not with himself. Sihanouk also stated that neither Hanoi nor Peking had any right to negotiate for Cambodia and claimed that they had no intention of doing so.

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LAOS

Souvanna's Way and Why

Prime Minister Souvanna Phouma's negotiating tactics are again causing concern among rightist leaders in Vientiane. They have unsuccessfully pressed Souvanna to include either Ngon Sananikone or Sisouk na Champassak in the private talks between chief Communist negotiator Phoumi Vongvichit and Souvanna's personal envoy Pheng Phongsavan. The rightists believe--with some justification--that Souvanna ignored their interests in negotiating the cease-fire agreement in February and feel that they will come out on the short end in the current high-level talks unless they are allowed direct participation.

Despite pressure from the right, there is little chance that Souvanna will change his negotiating tactics with the Communists. He knows that rightist participation in the sessions with Phoumi would only lead to more delays once the Communists decide to bargain seriously. Personal considerations also play a major role in Souvanna's desire to keep the substantive discussions in his own hands. Behind closed doors he can ensure his own position at the head of a new coalition government by dealing off rightist interests against Communist demands. This process has become too transparent to allow public scrutiny. Souvanna traditionally has made major decisions with little real consultation. Since he has managed to stay afloat on the quicksand of Lao politics and has even accrued a reputation for shrewd statesmanship in this manner, he probably sees little reason to change his tactics now.

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Given these factors, the scenario for reaching a final agreement with the Communists is likely to parallel closely the events in February. Once the Communists decide to proceed, major differences will be resolved rather quickly in personal negotiations with either Souvanna or his man Pheng. Souvanna will present a fait accompli to the rightists, who will protest loudly but acquiesce in the face of international backing for the agreement and for Souvanna.

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SOUTH VIETNAM

More Stirring Among Thieu's Political Opponents

Some of South Vietnam's major independent and opposition groups are showing signs of increased activity, although most remain weak and hampered by internal rivalries. The An Quang Buddhists, the most important opposition group, are preparing for their celebration of Buddha's birthday on 17 May. The An Quang hierarchy has reportedly agreed to cooperate with all other Buddhist groups in the celebration, including the small pro-government Quoc Tu faction. Such cooperation would be a departure from past experience, but An Quang leaders say they will withdraw from the joint celebration if they find Quoc Tu monks trying to take charge.

Despite the planned joint ceremonies, the major An Quang leaders continue to resist pressure to move closer to either the government or the Communists. The hierarchy reportedly is concerned about the activities of some of its young left-wing members who they believe have ties with the Viet Cong. The An Quang leadership plans to keep a close watch on this element to prevent any actions that might cause the Saigon government to charge An Quang with supporting the Communists.

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also is getting ready for internal elections later this month to fill key positions that became vacant through the deaths of two monks. The elections could again bring An Quang's internal divisions to the surface. Most of the movement's leaders apparently want to oust Thich Thien Minh, who has been temporarily

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filling one of the two positions. Thien Minh does not enjoy the best of reputations with many of his colleagues, and is currently under fire for trying to improve relations with the government and to merge An Quang with the Quoc Tu faction. He has been informed that, if he refuses to bow out of his position gracefully when the elections are held, he will be charged publicly with corruption and immorality.

The most prominent political opponent of President Thieu is still Big Minh, who has been trying recently to keep his name in the limelight. issuing a second statement last week criticizing both Saigon and the Viet Cong for their "meager" attempts to implement the cease-fire agreement, Minh and his close supporters are again signalling his availability to play a role in a peace settlement as a "third force." Unlike his earlier statement on the cease-fire, Minh's statement last week was carried in most independent and opposition Saigon papers, and caused the government to issue a rebuttal claiming that it contained "nothing new, concrete, or reasonable." A government spokesman also asserted the "so-called third segment" does not exist in South Vietnam, "and the only political elements present are those that back either the Communists or "the nationalist side."

Minh and his followers reportedly have lined up some 22 legislators for a new "third force" group. The formation of such a group has been in the talking stages for months, but there are still few signs that it will get off the ground in the near future.

The two new independent coalitions that are trying to qualify as legal parties still face an uphill fight. Neither has done much to organize outside of Saigon and both are faced with serious rivalries among their allied factions. The Social Democratic Alliance appears to

have weathered, at least temporarily, a dispute which threatened its dissolution even before it got started. The Catholic-based Freedom Party is handicapped by its failure to get the expected support from the Catholic religious hierarchy. Saigon's Archbishop Binh recently indicated to a US Embassy officer that the Church would not give much active support to the Freedom Party.

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NORTH VIETNAM

The North Vietnamese are encountering problems with the spring rice crop, which is due to be harvested in May and June. The spring crop is normally planted between December and February, but took nearly six months this season. According to the press, some localities started sowing rice as early as November, apparently as a hedge against renewed bombing, while other areas were still planting as late as April. Unusually warm weather this spring has caused the rice to ripen early but has also stimulated insects and disease. In addition, the North Vietnamese press says that drought has affected the crops in several areas of the country and the traditional varieties of rice are faring better than the high yield strains, which make up roughly two thirds of the crop.

Unless the problems with the rice crop are overcome, they will almost certainly result in a lower harvest than Hanoi may have expected, but it is too early to determine just how large the crop will be. The spring crop normally accounts for about one third of North Vietnam's total production, and if Hanoi plants more rice acreage this season, the crop could still be large.

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Mismanaged Marxism??

Unhappiness has once again surfaced in Hanoi over the management of North Vietnamese collective farms. A 4 May Nhan Dan editorial on the role of material incentives in collectivized agriculture charges "the division of labor in cooperatives is irrational, and the policy toward the countryside has many shortcomings." The editorial complains that despite "an enormous expenditure of labor, production has failed to develop, the people's living conditions have not been improved, and duties have not been fulfilled."

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At the heart of the problem, according to the editorial, is the failure to organize and manage labor effectively. Much collective labor does not receive adequate material reward, and workers must often perform work for which they receive no pay at all. Because of this, Nhan Dan says, families frequently make more from "sideline economic activity" than from the collective economy. Furthermore, it adds, "how can one work enthusiastically and earnestly if his income is unworthy, and if good and bad workers are rewarded equally?" In a rather sweeping statement, the editorial claims that "the fact that all work brings rewards will prompt everyone to devote all his labor strength to it."

In an apparent effort to answer critics of this approach, the editorial cautions that people should not be rewarded excessively to stimulate production, but adds immediately that those who work "hard and well" should get more than those who do not.

A similar editorial on 1 May, dealing with labor productivity in general, also focuses on incentives. It quotes Premier Pham Van Dong as urging that there be "a correct policy on wages and a clear policy on rewards and penalties." He adds that the organization and use of labor must be "rational."

The North Vietnamese leadership's concern over productivity in general, and agricultural productivity in particular, is apparently on the rise again now that the country has entered a "new period of development" since the cease-fire agreement. It still seems to be trying the same old remedies, however...albeit a bit more vociferously than before. In the past, party first Secretary Le Duan was most closely associated with the emphasis on material incentives, and these editorials suggest that he is still calling the tune.

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